

## Revenue Estimates

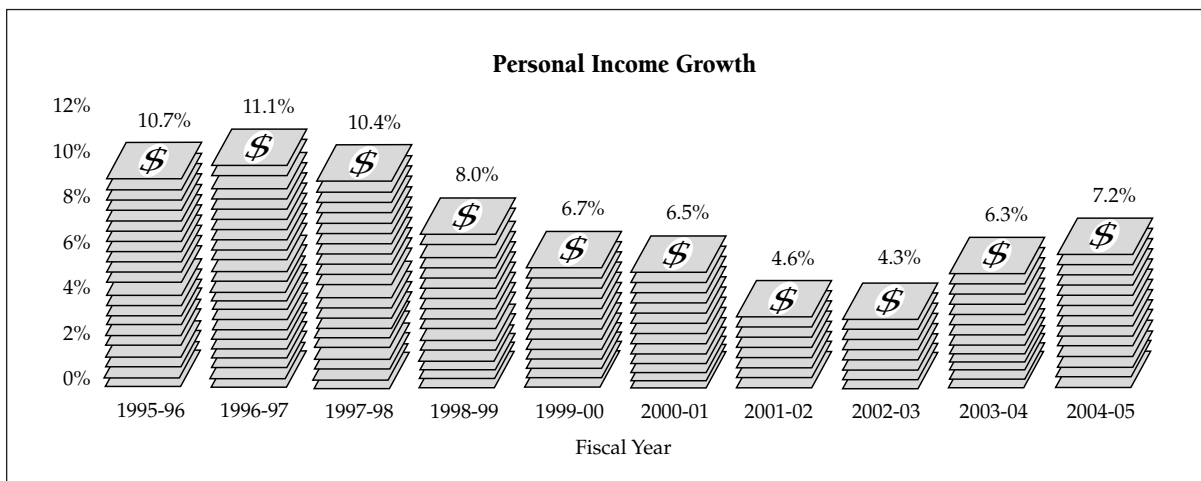
Revenue estimates for 2004-05 are based on assumptions about the local economy and population changes, on underlying cost estimates for cost-recovery rates and fees, and on the continuation of current state revenue collection and sharing practices. Adjustments to fees, such as those for water and sewer service, are established in separate planning processes and are incorporated in these estimates. In addition, other revenue estimates are developed using the most current information from outside entities that establish such fees. Examples of revenues derived from fees set by outside entities include portions of court fines and fees

and ambulance fees. Finally, the revenue estimates reflect a planned adjustment to property tax revenues. Following the recommendations of the 2001 bond committee, the primary property tax levy, which is a General Fund revenue, has been increased by approximately \$3 million and is offset by a like reduction in the secondary property tax levy. The current \$1.82 property tax rate will remain the same.

The state and local economy began to recover in late 2002-03 and that recovery continued in 2003-04. It is assumed that recovery growth rates will continue through early 2004-05, and then stabilize for the balance of the year. Personal income is a major driver for estimating state and local sales taxes and state-shared income taxes. The chart below shows that personal income is expected

to grow by 7.2 percent in 2004-05, up from the 6.3 percent estimated for 2003-04. The 6.3 percent growth rate estimated for 2003-04 is the first increase in personal income growth rates since 1996-97, when the personal income growth rate peaked at 11.1 percent. The 7.2 percent growth rate is consistent with projections by local economists for personal income.

In non-General Fund revenues, the 2004-05 estimates for Solid Waste, Water and Wastewater systems reflect full year impacts from the 2003-04 fee increases. Also, the 2004-05 estimates for Golf reflect revised fee increases based on an approved financial restructuring plan.





**GENERAL REVENUES BY MAJOR SOURCE**  
**(In Thousands of Dollars)**

Revenue Source	2002-03 Actuals	% of Total	2003-04 Estimate	% of Total	2004-05 Estimate	% of Total	Increase/(Decrease)	
							from 2003-04 Est. Amount	Percent
Local Taxes								
Sales Tax	\$314,884	41.0%	\$336,770	42.2%	\$359,105	42.2%	\$22,335	6.6%
Privilege License Fees	2,216	0.3	2,350	0.3	2,401	0.3	51	2.2
Subtotal	\$317,100	41.3%	\$339,120	42.5%	\$361,506	42.5%	\$22,386	6.6%
State-Shared Revenues								
Sales Tax	103,409	13.5	111,462	14.0	120,419	14.2	8,957	8.0
State Income Tax	140,600	18.3	119,157	14.9	122,271	14.4	3,114	2.6
Vehicle License Tax	47,758	6.2	52,800	6.6	57,100	6.7	4,300	8.1
Subtotal	\$291,767	38.0%	\$283,419	35.5%	\$299,790	35.2%	\$16,371	5.8%
Primary Property Tax	65,107	8.5	76,915	9.6	83,304	9.8	6,389	8.3
User Fees/Other Revenues								
License & Permits	2,548	0.3	2,560	0.3	2,597	0.3	37	1.4
Cable Communications	7,600	1.0	8,202	1.0	8,529	1.0	327	4.0
Fines & Forfeitures	17,520	2.3	17,889	2.2	18,690	2.2	801	4.5
Court Default Fee	808	0.1	800	0.1	825	0.1	25	3.1
Engineering & Architectural Services	1,795	0.2	2,250	0.3	2,631	0.3	381	16.9
Fire Emergency Transportation Service	22,190	2.9	22,216	2.8	26,545	3.1	4,329	19.5
Hazardous Materials Inspection Fees	412	0.1	1,000	0.1	1,300	0.2	300	30.0
Library Fees	1,050	0.1	983	0.1	1,068	0.1	85	8.6
Parks & Recreation	4,138	0.5	4,094	0.5	4,014	0.5	(80)	(2.0)
Planning	2,652	0.3	2,791	0.4	2,844	0.3	53	1.9
Police	12,820	1.7	11,986	1.5	12,066	1.4	80	0.7
Street Transportation	2,629	0.3	2,564	0.3	2,753	0.3	189	7.4
Other Service Charges	16,565	2.2	19,106	2.4	20,770	2.4	1,664	8.7
All Others	1,532	0.2	1,461	0.2	1,503	0.2	42	2.9
Subtotal	\$94,259	12.3%	\$97,902	12.3%	\$106,135	12.5%	\$8,233	8.4%
TOTAL GENERAL FUNDS	\$768,233	100.0%	\$797,356	100.0%	\$850,735	100.0%	\$53,379	6.7%